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**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF UTAH**

<p>In re:</p> <p>EASY STREET HOLDING, LLC, et al.</p> <p>Debtors.</p>	<p>Bankruptcy No. 09-29905</p> <p>Jointly Administered with Cases: 09-29907 RKM and 09-29908 RKM</p> <p>Chapter 11</p> <p>Honorable R. Kimball Mosier</p> <p>[Filed Electronically]</p>
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**OBJECTION OF UNSECURED CREDITORS' COMMITTEE TO
DEBTORS' APPLICATION PURSUANT TO BANKRUPTCY CODE
SECTION 327(e) AND RULES 2014(a) AND 2016(b) TO EMPLOY
WRONA LAW OFFICES, P.C. AS SPECIAL COUNSEL**

The Official Unsecured Creditors' Committee ("Committee") for Easy Street Holding, LLC, et al. ("Debtors"), by and through its proposed counsel, hereby submits its Objection to the Debtors' Application ("Application") to Employ Wrona Law Offices, P.C. as Special Counsel for the Debtors. In support of its Objection, the Committee states as follows:

1. Debtors have filed their Application seeking to employ Wrona Law Offices (“Wrona”) as Special Counsel for the Debtors pursuant to Section 327(e) and 330 of the Bankruptcy Code.

2. In support of their Application, the Debtors state that they seek to employ Wrona as special counsel because of Wrona’s expertise and knowledge “in the areas of commercial litigation, bankruptcy and condominium hotel real estate transactions” and because of Wrona’s experience in representing the Debtors prepetition. Debtors describe the services to be rendered by Wrona to include “litigation, bankruptcy and financing matters, including the negotiation and structure of debtor-in-possession financing;” representing the Debtors in adversary proceedings; representing and advising Debtors with respect to “complex relationships within Debtor’s organization;” and representing Debtors with respect to issues between Debtors and fractional unit owners. In addition, attached to the Application is an engagement letter between Debtors and Wrona dated September 1, 2009, although reference is made in the Application to Wrona having provided services prior to that time. The Debtors’ petition date was September 14, 2009.

3. Section 327(e) of the Bankruptcy Code provides the statutory basis for the employment of special counsel:

The trustee, with the court’s approval, may employ, for a specified purpose, other than to represent the trustee in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold an interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.

4. Each of four requirements must be satisfied under Section 327(e) to obtain approval of a special counsel employment application. Those requirements are “1) the proposed special counsel must have represented the debtor previously; 2) the proposed special counsel

must be employed by the trustee only for a limited, special purpose; 3) the proposed representation must be in the best interest of the estate; and 4) there must be no conflict with the debtor or the estate arising from the matter(s) for which the trustee seeks to engage special counsel.” *In re Potter*, 2009 WL 2922850 at *1 (June 12, 2009 Bankr. D. N. Mex.).

5. In addition, applicable caselaw makes clear, among other things, that special counsel may be employed for only a “specified purpose” and that purpose must be unrelated to the debtor’s reorganization efforts and must be clearly articulated in the application to employ counsel. *In re Running Horse, L.L.C.*, 371 B.R. 446, 451 (Bankr. E.D. Cal. 2007). *See In re Interstate Distribution Center Associates (A), Ltd.*, 137 B.R. 826, 833 (Bankr. D. Colo. 1992) (special purpose must be stated in application to avoid unnecessary duplication of effort and to determine if tasks are indeed “special”).

6. In the present case, the Debtors’ Application to employ Wrona as special counsel lacks the requisite specificity to enable the Court and parties to determine if the tasks to be assigned to Wrona are truly “special tasks.” Indeed, on the face of the Application - - both the recitation of Wrona’s expertise and general description of the tasks to be performed by Wrona (litigation, bankruptcy, financing matters, adversary proceedings) - - do not appear to be “specialized,” but rather are services which can be rendered by the very competent, full-service law firms already engaged by the Debtors. Moreover, the tasks listed in the Application to be performed by Wrona are matters which appear to be directly related to the Debtors’ reorganization efforts, in contravention of Section 327(e) and relevant caselaw, and create a concern that Wrona’s services could duplicate those already being rendered by Debtors’ other counsel. Although the Committee recognizes that the characterization of services as being

“related” or “unrelated” to the Debtors’ reorganization efforts is not always easily drawn, the services described in the Application appear closer to those related to the Debtors’ general reorganization efforts rather than discrete, specialized services directed toward identified special matters.

7. As a result, the Committee submits that employment of Wrona as special counsel is not in the best interest of the estates as required by Section 327(e) and the estates should not be burdened with the expense of an additional professional, unless a compelling reason is demonstrated. The Application before the Court does not articulate a compelling reason to employ Wrona as special counsel.

WHEREFORE, based on the foregoing, the Committee respectfully requests this Court to deny the Debtor’s Application to Employ Wrona as Special Counsel.

DATED: November 9, 2009.

JONES WALDO HOLBROOK & MCDONOUGH

/s/ Lon A. Jenkins
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CERTIFICATE OF SERVICE

I hereby certify that on the 9th day of November a true and correct copy of the **OBJECTION OF UNSECURED CREDITORS' COMMITTEE TO DEBTORS' APPLICATION PURSUANT TO BANKRUPTCY CODE SECTION 327(e) AND RULES 2014(a) AND 2016(b) TO EMPLOY WRONA LAW OFFICES, P.C. AS SPECIAL COUNSEL** was served by this Court's CM/ECF system and/or by First Class Mail, postage prepaid to the parties listed on the attached distribution list.

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